Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

Nov. 3, 2005

Contents

The next release is Nov. 10, '05

Spring Rises Proposed in Missouri River Plan. On October 24th, the Corps announced the release of the Draft 2005-2006 Annual Operating Plan for the Missouri River. A major feature of the plan calls for spring rises (or pulses) in March and May, if there is sufficient storage in the large main stem reservoirs. The goal of the plan is to comply with the Endangered Species Act while limiting risk to both up- and downstream river users. Increased reservoir levels are dependent on rain this fall and snow on the plains and in the mountains this winter. The draft plan also describes the overall management plan for the dams and reservoirs. It anticipates that there will be only minimum flows for the 2006 navigation season, which could be shortened 15 to 58 days, depending on runoff this winter and spring. The navigation season begins on April 1, and usually lasts until December 15. The 15-day shortened season would end around November 30, and the 58-day shortened season would end around mid-October. A final determination on season length will be made on July 1, 2006. The Missouri River supplies about 40-50 percent of the Mississippi water flow at St.Louis. MO.

The Missouri River navigation channel extends for 734.8 miles from near South Sioux City, Iowa to the mouth near St. Louis (see map). The six dams spanning the Missouri River control runoff from approximately half of the basin (see map). Those six dams, from the large upper three of Fort Peck in eastern Montana, Garrison in central North Dakota and Oahe in central South Dakota, to the lower three smaller reservoirs including Big Bend and Fort Randall in South Dakota and Gavins Point along the Nebraska-South Dakota border, comprise the largest system of reservoirs in the United States.

Possible Maintenance Delays at Lock and Dam 27. On October 17th, the 600' auxiliary chamber at Locks 27 (last lock on the Mississippi River, near St Louis) was closed to repair unexpected deterioration of the lock gates. Repairs are expected to be completed by December 13, 2005. During times that the auxiliary chamber is closed, the main 1,200-foot chamber will remain open. No delays have been reported as a result of the closing of the auxiliary chamber. On January 3, 2006, to March 1, 2006, the 1,200-foot main chamber will be closed. During that time, the auxiliary chamber will remain open. The auxiliary chamber is only 600' long and requires a 15-tow barge to transit in two sections. While most of the Upper Mississippi River will be frozen during the closure of the main chamber, traffic on the year-round Illinois River could face increased transit times. Nick.Marathon@usda.gov

Grain Transportation Indicators

Table 1--Grain transport cost indicators*

	Truck	Rail**	Barge	Ocean	
Week ending				Gulf	Pacific
11/02/05	193	537	250	207	175
Compared with last week	↓	↓	↓	↓	↑

*Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

**The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2--Market update: U.S. origins to export position price spreads ($/bushel)

Commodity	Origin--destination	10/28/2005	10/21/2005
Corn	IL--Gulf	-0.85	-0.95
Corn	NE--Gulf	-1.03	-1.10
Soybean	IA--Gulf	-0.99	-1.05
HRW	KS--Gulf	-0.95	-0.99
HRS	ND--Portland	-1.46	-1.43

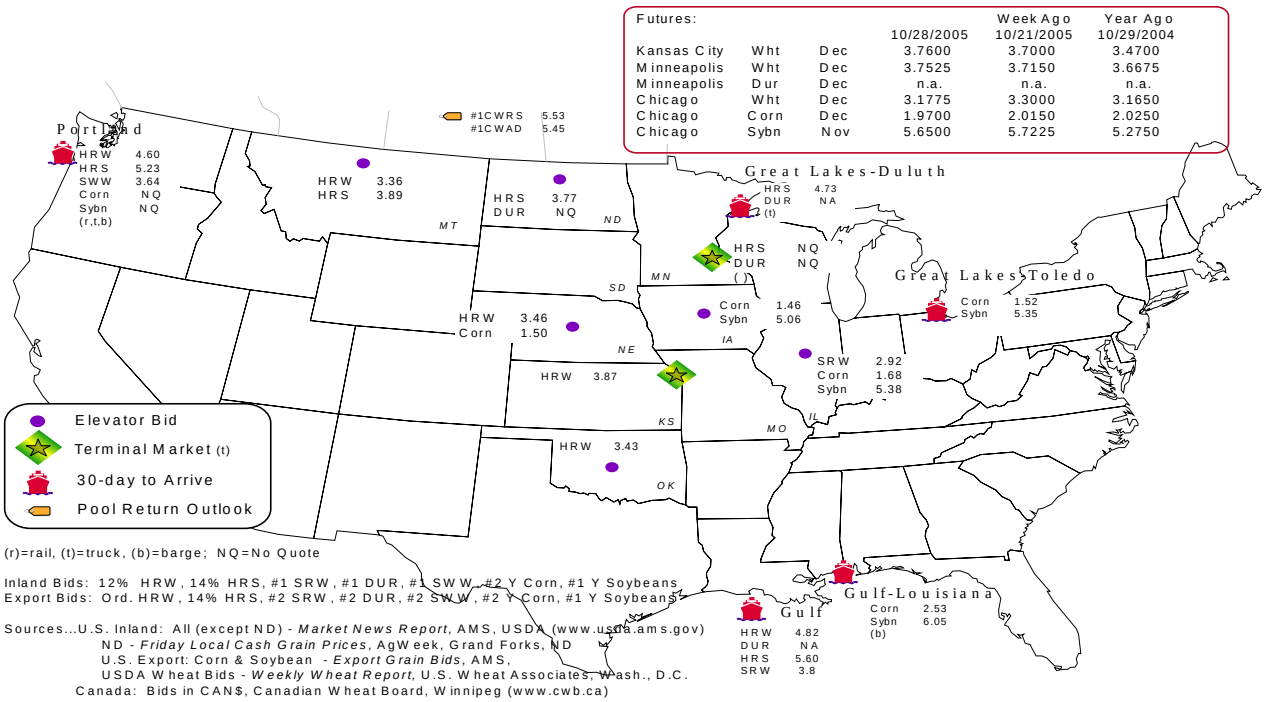
Note: nq = no quote

Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid summary



Rail Transportation

Table 3--Rail deliveries to port (carloads)*

Week ending	Mississippi Gulf***	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
10/26/2005[p]	2,102	2,358	2,371	5,169	654	12,654
10/19/2005[r]	1,286	1,981	2,397	5,205	424	11,293
2005 YTD	38,059	80,044	74,819	184,088	11,358	388,368
2004 YTD	31,922	79,979	50,103	168,333	6,463	336,800
2005 as % of 2004	119	100	149	109	176	115
Total 2004	43,102	92,073	67,992	209,625	10,986	423,778
Total 2003**	n/a	88,194	48,805	157,125	20,509	n/a

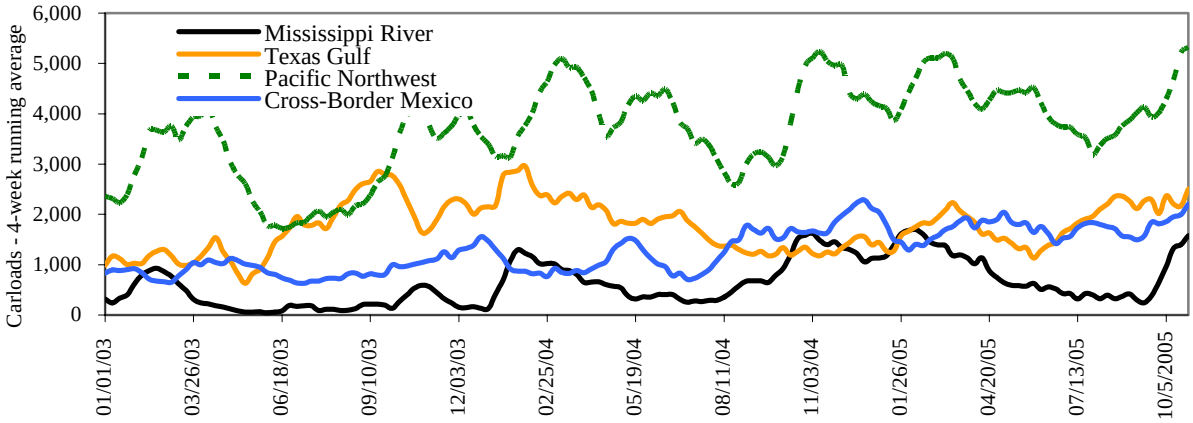
(*) Incomplete Data; as of 9/22/04, Cross-Border movements included; (**) Excludes 53rd week; (***) Mississippi Gulf data back to January, 2004 from several new sources has been added; YTD= year-to-date; p=preliminary data; r = revised data

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 40 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail deliveries to port



Source: Transportation & Marketing Programs/AMS/USDA

Figure 3

Total weekly U.S. grain car loadings for Class I railroads

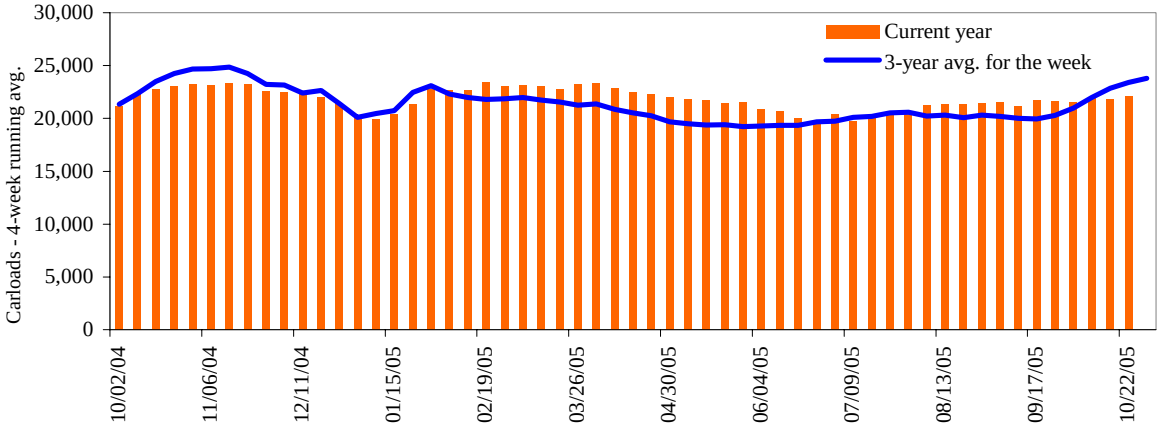


Table 4--Class I rail carrier grain car bulletin (grain carloads originated)

	East		West			U.S. total	Canada	
Week ending	CSXT	NS	BNSF	KCS	UP		CN	CP
10/22/05	3,702	3,411	9,092	516	6,666	23,387	5,329	4,717
This week last year	2,913	3,394	10,166	728	6,050	23,251	4,402	4,152
2005 YTD	122,301	135,853	382,369	23,201	252,481	916,205	177,014	168,648
2004 YTD	114,081	136,009	367,002	22,401	269,765	909,258	189,378	164,874
2005 as % of 2004	107	100	104	104	94	101	93	102
Total 2004	142,206	169,650	458,587	27,618	327,510	1,125,571	237,664	210,060

Source: Association of American Railroads (www.aar.org); YTD = year-to-date

Table 5--Rail car auction offerings*, week ending 10/29/05 ($/car)**

Delivery for:	Dec-05	Jan-06	Feb-06
BNSF[1]			
COT/N. grain	$97	no offer	$269
COT/S. grain	no offer	no offer	$416
UP[2]			
GCAS/Region 1	no offer	$322	no offer
GCAS/Region 2	no offer	$339	no offer

*Auction offerings are for single-car and unit train shipments only.

**Average premium/discount to tariff, last auction

[1]BNSF - COT = Certificate of Transportation

N includes: ID, MN, MT, ND, OR, SD, WA, WI, WY, and Manitoba, Canada.

S includes: CO, IA, IL, KS, MO, NE, OK, TX, NM, AZ, CA, UT, and NV.

[2]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

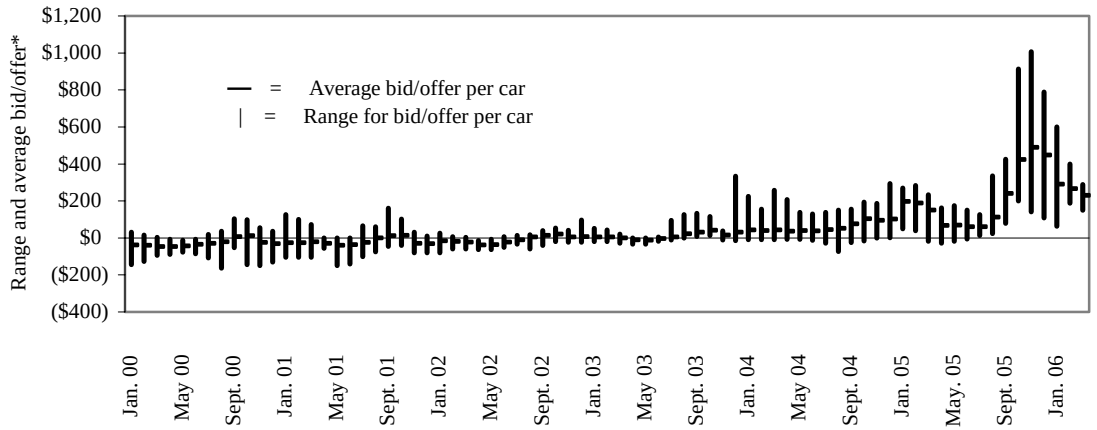
Source: Transportation & Marketing Programs/AMS/USDA

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Secondary rail car market, delivery month-year



*up to 6 months of trading

Source: Transportation & Marketing Programs/AMS/USDA

Average bid/offer is the simple average of all the weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Range for bid/offer shows the range of average weekly bids/offers over the entire period (up to 6 months) for guaranteed railcars that are traded for delivery in a particular month.

Table 6--Weekly secondary rail car market, week ending 10/29/05 ($/car)*

	Delivery period			
	Dec-05	**Jan-06**	**Feb-06**	**Mar-06**
BNSF-GF	$467	$325	$325	$238
Change from last week	-$146	$25	-$50	-$50
UP-Pool	$417	$325	$250	$200
Change from last week	-$133	$25	$0	$50

*Average premium/discount to tariff, $/car-last week

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = no bid quoted; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7--Tariff rail rates for unit and shuttle train shipments*

Effective date: 11/7/2005	Origin Region	Destination Region	Rate/car	Rate/metric ton	Rate/bushel**
Unit train*					
Wheat	Chicago, IL	Albany, NY	$1,861	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,020	$22.27	$0.61
	South Central, KS	Galveston, TX	$2,450	$27.01	$0.74
	Minneapolis, MN	Houston, TX	$2,420	$26.68	$0.73
	St. Louis, MO	Houston, TX	$2,360	$26.01	$0.71
	South Central, ND	Houston, TX	$4,117	$45.38	$1.24
	Minneapolis, MN	Portland, OR	$3,848	$42.42	$1.15
	South Central, ND	Portland, OR	$3,841	$42.34	$1.15
	Northwest, KS	Portland, OR	$4,490	$49.49	$1.35
	Chicago, IL	Richmond, VA	$2,161	$23.82	$0.65
Corn	Chicago, IL	Baton Rouge, LA	$2,610	$28.77	$0.73
	Council Bluffs, IA	Baton Rouge, LA	$2,471	$27.24	$0.69
	Kansas City, MO	Dalhart, TX	$1,965	$21.66	$0.55
	Minneapolis, MN	Portland, OR	$3,130	$34.50	$0.88
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.55
	Columbus, OH	Raleigh, NC	$1,850	$20.39	$0.52
	Council Bluffs, IA	Stockton, CA	$3,606	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,655	$29.27	$0.80
	Council Bluffs, IA	Baton Rouge, LA	$2,515	$27.72	$0.75
	Minneapolis, MN	Portland, OR	$3,610	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,961	$21.62	$0.59
	Chicago, IL	Raleigh, NC	$2,561	$28.23	$0.77
Shuttle Train*					
Wheat	St. Louis, MO	Houston, TX	$1,820	$20.06	$0.55
	Minneapolis, MN	Portland, OR	$3,648	$40.21	$1.09
Corn	Fremont, NE	Houston, TX	$2,304	$25.40	$0.65
	Minneapolis, MN	Portland, OR	$3,024	$33.33	$0.85
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,170	$34.94	$0.95

*A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

**Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8--Tariff rail rates for U.S. bulk grain shipments to Mexico, 2005

Effective date: 11/07/05

Commodity	Origin State	Border crossing region	Train size	Rate[1]	Rate/metric ton	Rate/bushel**
Wheat	KS	Brownsville, TX	Shuttle	$2,851	$29.13	$0.79
	ND	Eagle Pass, TX	Unit	$4,004	$40.91	$1.11
	OK	El Paso, TX	Shuttle	$2,264	$23.13	$0.63
	OK	El Paso, TX	Unit	$2,432	$24.85	$0.68
	AR	Laredo, TX	Unit	$2,383	$24.35	$0.66
	IL	Laredo, TX	Unit	$3,188	$32.57	$0.89
	MT	Laredo, TX	Shuttle	$4,298*	$43.92	$1.19
	TX	Laredo, TX	Shuttle	$2,165	$22.12	$0.60
	MO	Laredo, TX	Shuttle	$2,731	$27.90	$0.76
	WI	Laredo, TX	Unit	$3,405	$34.79	$0.95
Corn	NE	Brownsville, TX	Shuttle	$3,214	$32.84	$0.83
	NE	Brownsville, TX	Unit	$3,645*	$37.24	$0.95
	IA	Eagle Pass, TX	Unit	$3,444	$35.19	$0.89
	MO	Eagle Pass, TX	Shuttle	$3,040*	$31.06	$0.79
	NE	Eagle Pass, TX	Shuttle	$3,440*	$35.15	$0.89
	IA	Laredo, TX	Shuttle	$3,367	$34.40	$0.87
Soybean	IA	Brownsville, TX	Shuttle	$2,989	$30.54	$0.83
	MN	Brownsville, TX	Shuttle	$3,031	$30.97	$0.84
	NE	Brownsville, TX	Shuttle	$2,798	$28.59	$0.78
	NE	Eagle Pass, TX	Shuttle	$2,874	$29.37	$0.80
	IA	Laredo, TX	Unit	$3,028	$30.94	$0.84

A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[1]Rates are based upon published tariff rates for high-capacity rail cars.

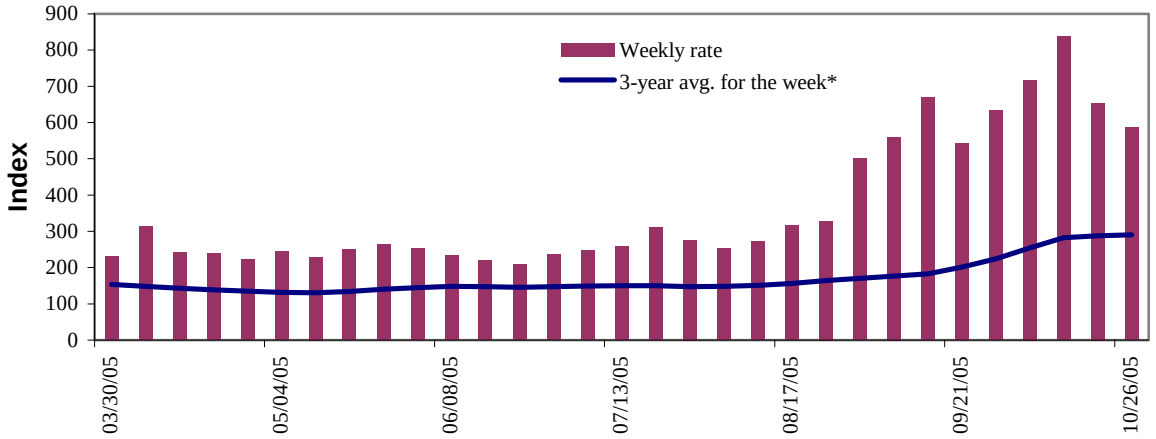
*High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

**Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Sources: www.bnsf.com, www.uprr.com

Barge Transportation

Figure 5
Illinois River barge rate index - quotes



Note: Index = percent of tariff rate; *4-week moving average
Source: Transportation & Marketing Programs/AMS/USDA

The **Illinois River barge rate index** averaged 183 percent of the **benchmark tariff rates** between 1999 and 2001, based on weekly market quotes. The **index**, along with **rate quotes** and **futures market** bids are indicators of grain transport supply and demand.

Table 9--Barge rate quotes: southbound barge freight

Location	10/26/2005	10/19/2005	Nov. '05	Jan. '06
Twin Cities	715	625	645	n/a
Mid-Mississippi	690	642	498	n/a
Illinois River	586	654	492	405
St. Louis	535	642	437	354
Lower Ohio	510	680	442	361
Cairo-Memphis	482	571	400	315

Index = percent of tariff, based on 1976 tariff benchmark rate
Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 6).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8).

Figure 6
Benchmark tariff rates

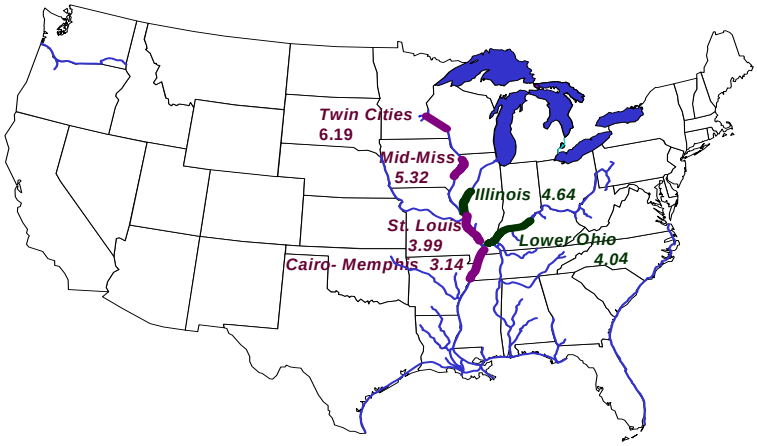
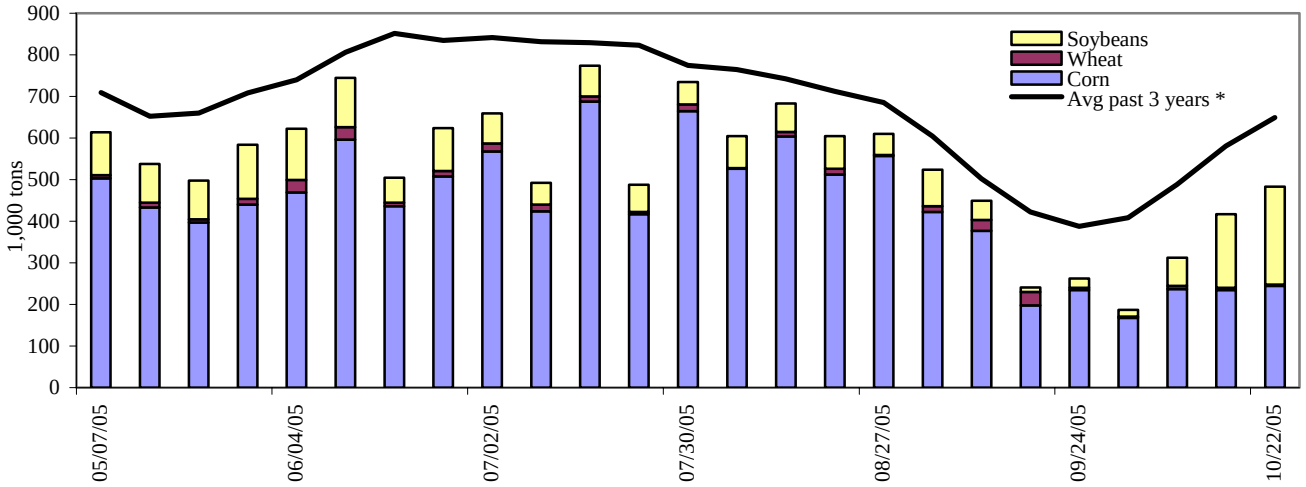


Figure 7

Barge movements on the Mississippi River (Locks 27 - Granite City, IL)



* 4-week moving average

Source: Transportation & Marketing Programs/AMS/USDA

Table 10--Barge grain movements (1,000 tons)

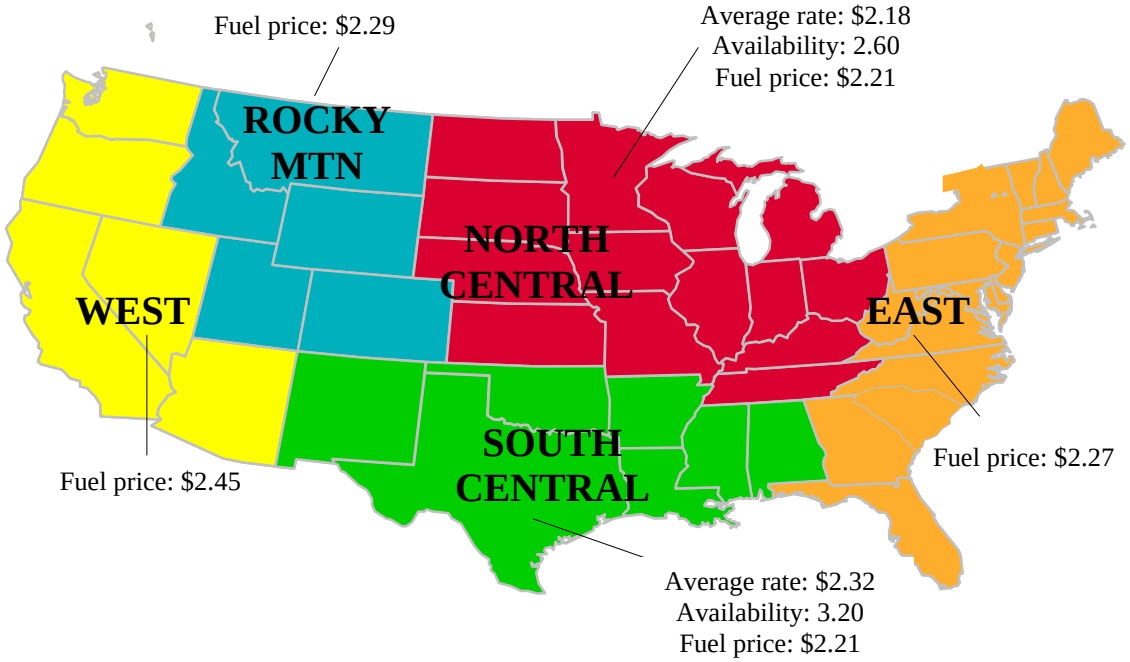
Week ending 10/22/2005	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	71	2	115	0	188
Winfield, MO (L25)	122	3	175	0	300
Alton, IL (L26)	241	3	236	0	480
Granite City, IL (L27)	245	3	235	0	483
Illinois River (L8)	78	0	46	0	124
Ohio River (L52)	44	0	42	12	98
Arkansas River (L1)	0	7	23	7	37
2005 YTD	18,731	1,443	5,431	581	26,186
2004 YTD	20,308	2,395	3,791	624	27,118
2005 as % of 2004 YTD	92	60	143	93	97
Total 2004	26,235	2,701	6,784	843	36,563

YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

Source: U.S. Army Corp of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Note: Total may not add exactly, due to rounding

Figure 8
U.S. grain truck market advisory, 2nd quarter 2005*



*Average rate per loaded mile, based on truck rates for trips of 25, 100, and 200 miles
Note: Fuel prices are a quarterly average (unit per gallon)
Fuel price data source: Energy Information Administration, U.S. Department of Energy, www.eia.doe.gov

Table 11--U.S. grain truck market overview, 2nd quarter 2005

Region/commodity*	25 miles	100 miles	200 miles	Truck availability	Truck activity	Future truck activity
	Rate per mile			*Rating compared to same quarter last year* 1=Very easy to 5=Very difficult	1=Much lower to 5=Much higher	
National average[1]	**3.03**	**2.10**	**1.75**	**2.8**	**2.9**	**3.3**
North Central region[2]	3.00	1.95	1.59	2.6	3.1	3.3
Corn	3.08	2.47	1.87	2.0	3.3	3.5
Wheat	2.49	1.88	1.50	2.9	3.0	3.3
Soybean	3.08	2.47	1.87	2.0	3.3	3.5
South Central region[2]	2.89	2.18	1.88	3.2	2.2	2.8
Corn	2.60	1.96	1.78	3.3	2.3	2.8
Wheat	2.56	1.99	1.68	3.3	2.7	3.2
Soybean	3.87	2.49	2.18	3.0	2.0	2.8

Rates are based on trucks with 80,000 lb gross vehicle weight limit
*Commodity averages based on truck rates for top producing states based on National Agricultural Statistics Service/USDA
[1]National average includes: AR, CO, IA, IL, IN, KS, LA, MN, MS, ND, NE, OH, OK, OR, SD, TX, and WA.
[2]Commodity rates per mile include the average of the top 3 producing states within the region.
Source: Transportation and Marketing Programs/AMS/USDA

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 12--Retail on-highway diesel prices*, week ending 10/31/05 (US$/gallon)

			Change from	
Region	**Location**	**Price**	**Week ago**	**Year ago**
I	East Coast	2.784	-0.267	0.572
	New England	2.834	-0.039	0.504
	Central Atlantic	2.848	-0.092	0.541
	Lower Atlantic	2.753	-0.362	0.592
II	Midwest	2.907	-0.328	0.735
III	Gulf Coast	2.846	-0.300	0.699
IV	Rocky Mountain	3.079	-0.153	0.803
V	West Coast	2.951	-0.191	0.581
	California	2.936	-0.216	0.505
Total	U.S.	2.876	-0.281	0.670

*Diesel fuel prices include all taxes.

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Grain Exports

Table 13--U.S. export balances (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending 1/	HRW	SRW	HRS	SWW	DUR	All wheat			
10/20/2005	2,156	285	1,112	711	68	4,332	7,150	5,923	17,405
This week year ago	1,650	509	1,371	995	105	4,640	8,532	8,598	21,770
Cumulative exports-crop year 2/									
2005/06 YTD	4,329	936	3,316	1,625	329	10,536	6,292	3,038	19,866
2004/05 YTD	3,950	1,942	3,354	2,045	262	11,553	6,558	3,690	21,801
2005/06 as % of 2004/05	110	48	99	79	126	91	96	82	91
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

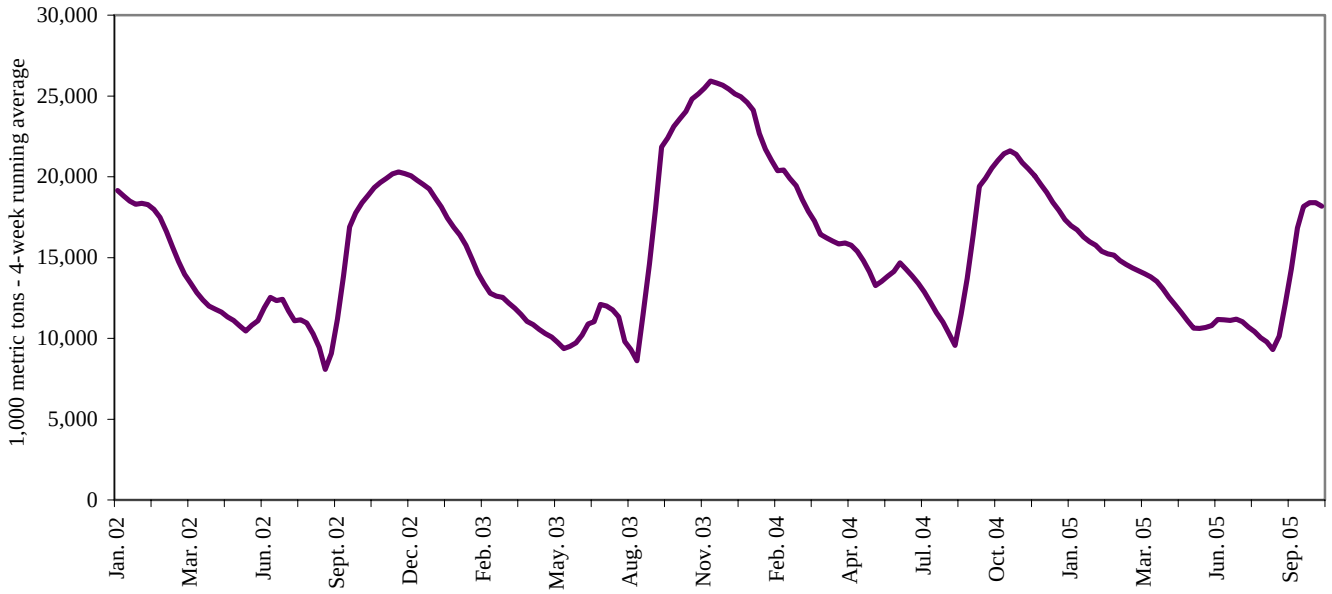
Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31, 1/ = Current unshipped export sales to date

2/ = Shipped export sales to date

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Figure 9

U.S. grain, unshipped export balance, including wheat, corn, and soybean sales



Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 14--Select U.S. port regions - grain inspections for export (1,000 metric tons)

	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region total		
Week ending	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Wheat	Corn	Soybeans	Pacific	Mississippi	Texas
10/27/05	261	63	371	85	631	380	165	43	0	695	1,096	208
2005 YTD**	8,644	8,428	4,607	4,052	22,977	10,906	6,224	608	12	21,680	37,935	6,844
2004 YTD	10,290	8,604	2,752	6,319	26,881	9,263	7,241	68	18	21,647	42,463	7,327
2005 as % of 2004	84	98	167	64	85	118	86	900	67	100	89	93
2004 Total *	12,618	10,154	4,787	7,268	33,320	15,870	8,536	366	25	27,559	56,459	8,928

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa); YTD: year-to-date; * includes 53rd week, (**) All YTD data includes revisions as of 10/20/05

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 55 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2004.

Figure 10

U.S. grain inspected for export (wheat, corn, and soybeans)

Source: Federal Grain Inspection Service/USDA (www.usda.gov/gipsa)

Ocean Transportation

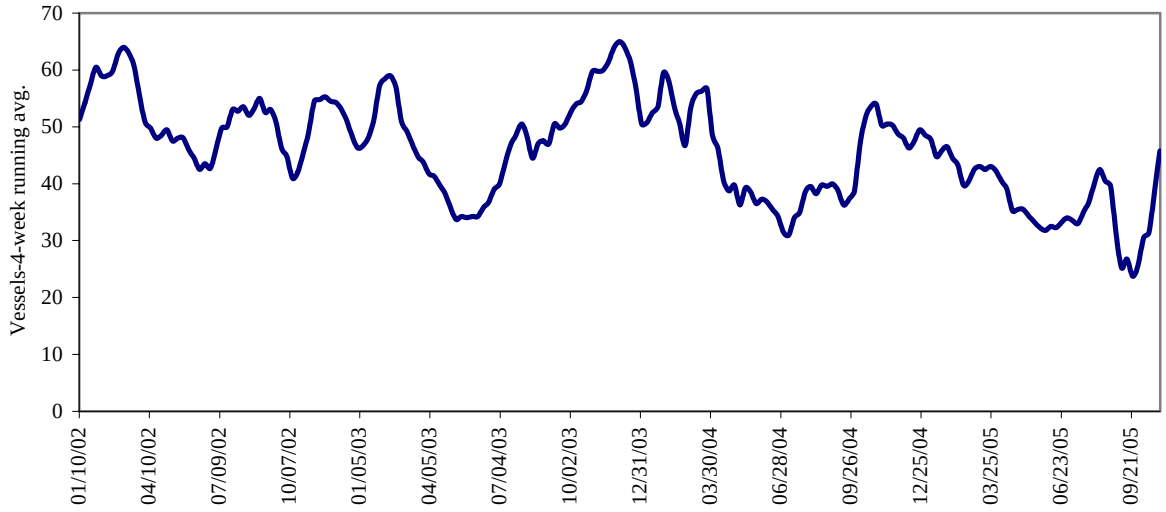
Table 15--Weekly port region grain ocean vessel activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
10/27/2005	25	47	67	15	8
10/20/2005	37	52	60	16	11
2004 range	(10..43)	(25..73)	(38..96)	(4..16)	(0..18)
2004 avg.	24	45	61	9	6

Source: Transportation & Marketing Programs/AMS/USDA

Figure 11

Gulf Port grain vessel loading (past 7 days)



Source: Transportation & Marketing Programs/AMS/USDA

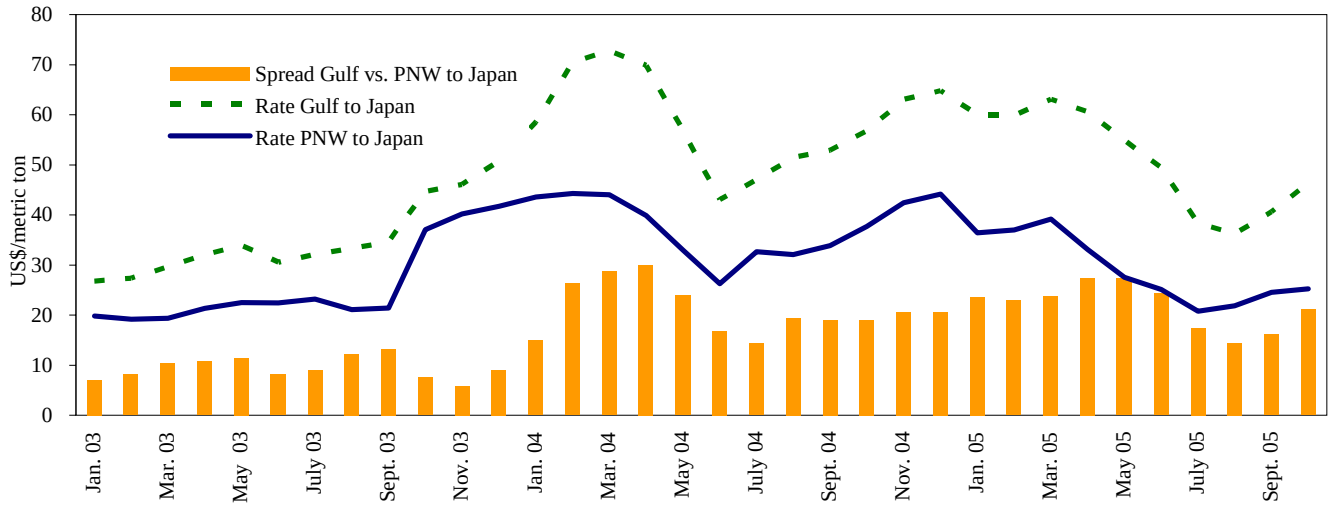
Table 16--Quarterly ocean freight rates (average rates & percentage changes) (US$/metric ton)

Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change	Countries/ regions	2005 3rd qtr	2004 3rd qtr	Percent change
Gulf to				**Pacific NW to**			
Japan	36.33	50.08	-27	Japan	---	37.00	---
China		54.00	---	**Argentina/Brazil to**			
Taiwan	---	---	---	China	32.00		
N. Africa	24.25	---	---	N. Africa	40.00	---	---
Med. Sea	---	---	---	Turkey	25.00	---	

Source: Maritime Research, Inc. (www.maritime-research.com)

Figure 12

Grain vessel rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

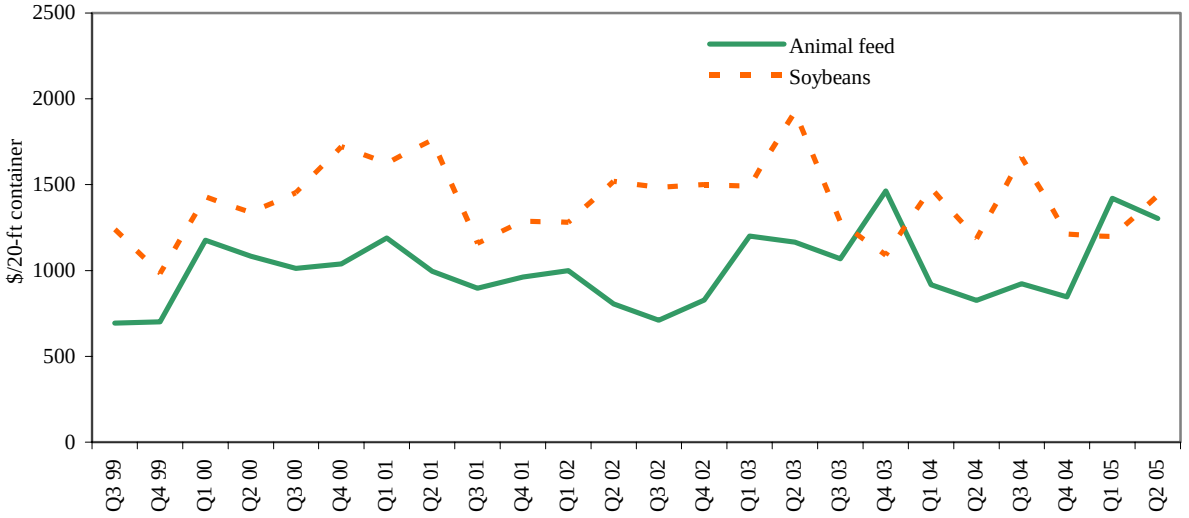
Table 17--Ocean freight rates for selected shipments, week ending 10/29/05

Export region	Import region	Grain	Month	Volume loads (metric tons)	Freight rate ($/metric ton)
U.S. Gulf	Nigeria*	Soybean	Oct 20/Nov 3	9,000	90.00
U.S. Gulf	Japan	Hvy Grain	Oct 1/15	44,000	46.00
U.S. Gulf	Japan	Hvy Grain	Nov 1/5	54,000	47.50
U.S. Gulf	Libya or Sudan	Sorghum	Sept 25/Oct 5	21,410	48.22
U.S. Gulf	Algeria	Wheat	Sept 27/30	25,000	32.50
U.S. Gulf	Morocco	Hvy Grain	Oct 1/20	30,000	31.00
River Plate	Spain	Hvy Grain	Oct 10/20	55,000	39.00
River Plate	Algeria	Hvy Grain	Oct 1/15	20,000	46.00
River Plate	Morocco	Hvy Grain	Oct 27/Nov 3	30,000	39.50
Russia	Pakistan	Hvy Grain	Oct 15/20	55,000	32.50

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
*75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 13

Weighted average rates[1] for containerized shipments of animal feed and soybeans to selected Asian countries



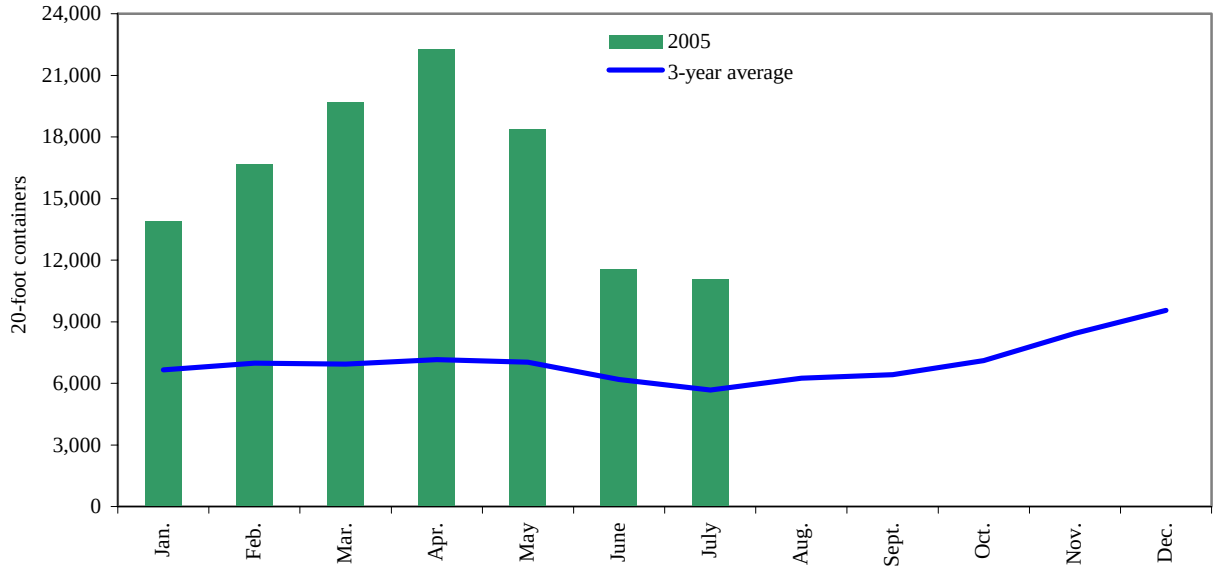
[1]Animal Feed: Busan-Korea (13%), Kaohsiung-Taiwan (41%), Tokyo-Japan (30%), Hong Kong (11%), Bangkok-Thailand (5%) and soybeans: Busan-Korea (1%), Keelung-Taiwan (85%), Tokyo-Japan (11%), Bangkok-Thailand (3%), Hong Kong (1%)
Quarter 2, 2005.
Source: Ocean Rate Bulletin, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2004, containers were used to transport 2 percent of total U.S. grain exported, and 3 percent of total U.S. grain exported to Asia.

Figure 14

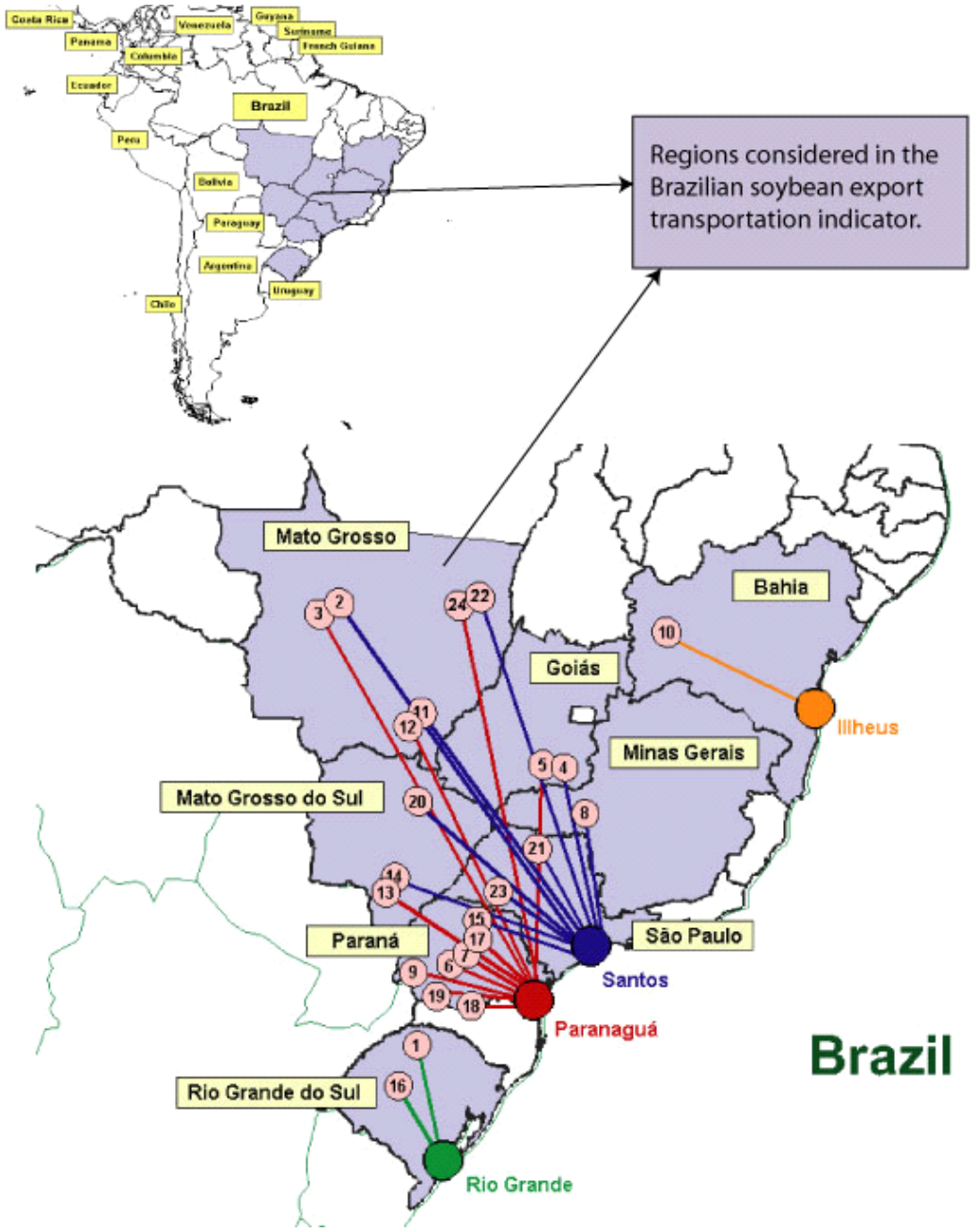
Monthly shipments of containerized grain to Asia for 2005 compared with a 3-year average



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*
Note: PIERS data is available with a lag of approximately 40 days

Brazil Transportation

Figure 15
Routes and Regions considered in the Brazilian soybean export transportation indicator[1]



[1]Regions comprised 84 percent of Brazilian soybean production, 2003
Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 18--Truck rates for selected Brazilian soybean export transportation routes, 2nd quarter 2005

Route #	Origin[1] (reference city)	Destination	Distance (miles)[2]	Weight(%)[3]	Freight price (per 100 miles)[4]
1	Northwest RS[5](Cruz Alta)	Rio Grande	288	16.6	4.40
2	North MT(Sorriso)	Santos	1190	10.1	6.80
3	North MT(Sorriso)	Paranaguá	1262	9.5	6.27
4	South GO(Rio Verde)	Santos	587	7.0	6.83
5	South GO(Rio Verde)	Paranaguá	726	5.6	5.29
6	North Center PR(Londrina)	Paranaguá	268	4.4	8.51
7	Western Center PR(Mamborê)	Paranaguá	311	3.9	5.37
8	Triangle MG(Uberaba)	Santos	339	3.8	10.75
9	West PR(Assis Chateaubriand)	Paranaguá	377	3.7	5.16
10	West Extreme BA(São Desidério)	Ilhéus	544	3.6	7.14
11	Southeast MT(Primavera do Leste)	Santos	901	3.6	6.26
12	Southeast MT(Primavera do Leste)	Paranaguá	975	3.3	5.63
13	Southwest MS(Maracaju)	Paranaguá	612	3.1	6.07
14	Southwest MS(Maracaju)	Santos	652	2.9	6.31
15	West PR(Assis Chateaubriand)	Santos	550	2.5	5.68
16	Western Center RS(Tupanciretã)	Rio Grande	273	2.4	5.49
17	Southwest PR(Chopinzinho)	Paranaguá	291	2.3	5.73
18	Eastern Center PR(Castro)	Paranaguá	130	2.3	10.77
19	South Center PR(Guarapuava)	Paranaguá	204	2.1	7.95
20	North Center MS(São Gabriel do Oeste)	Santos	720	2.0	5.60
21	Ribeirão Preto SP(Guairá)	Santos	314	1.5	7.59
22	Northeast MT(Canarana)	Santos	950	1.4	7.26
23	Assis SP(Palmital)	Santos	285	1.2	7.74
24	Northeast MT(Canarana)	Paranaguá	1075	1.2	6.34
	Average		**626**	**100**	**6.33**

[1]Although each origin region comprises several cities, the main city is considered as a reference to establish the freight price

[2]Distance from the main city of the considered region to the mentioned ports

[3]The weight is directly proportional to the amount of production in each region

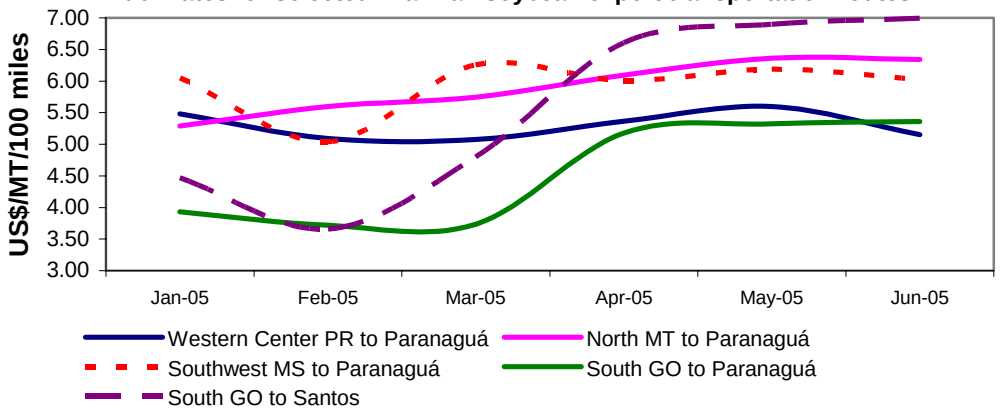
[4]US$ per metric ton (average monthly exchange rate from "Banco Central do Brasil" was used to convert Brazilian reais to the U.S. dollar)

[5]RS = Rio Grande Do Sul, MT= Mato Grosso, GO = Goiás, PR = Paraná, MG = Minas Gerais, BA = Bahia, MS = Mato Grosso Do Sul, SP = São Paulo

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 16

Truck rates for selected Brazilian soybean export transportation routes



Source: ESALQ/ USP (University of São Paulo, Brazil) and USDA/AMS

Table 19--Monthly Brazilian soybean export truck transportation cost index

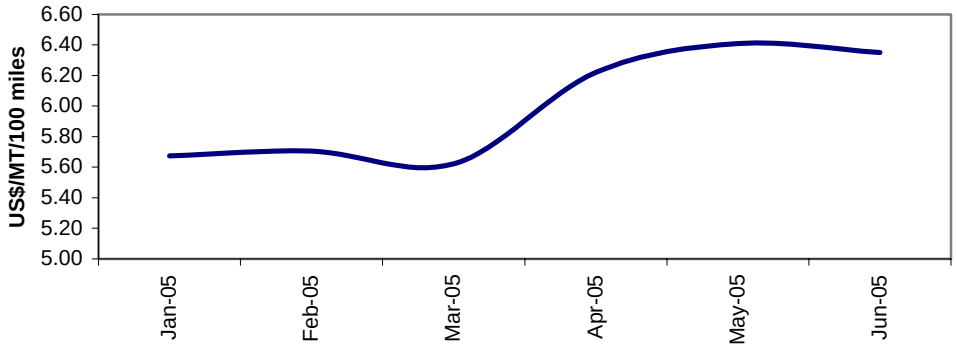
Month	Freight price* (per 100 miles)	Index variation (%) (Base: prior month)	Index value (Base: Jan. 05 = 100)
Jan. 05	5.67		100.00
Feb. 05	5.71	0.5	100.54
Mar. 05	5.62	-1.5	99.08
Apr. 05	6.22	10.6	109.61
May 05	6.41	3.1	112.96
Jun. 05	6.35	-0.9	111.90

*weighted average and quoted in US$ per metric ton

Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Figure 17

Brazilian soybean export truck transportation weighted average prices, 2005



Source: ESALQ/USP (University of São Paulo, Brazil) and USDA/AMS

Table 20--Quarterly ocean freight rates for shipping soybeans from selected Brazilian ports to Hamburg, Germany (US$/metric ton)*

Ports	2005 1st qtr	2005 2nd qtr
Santos	45.53	45.84
Paranagua	44.64	44.84**
Rio Grande	44.20	44.39

*correspond to the average actual values negotiated between shippers and carriers and weighted according to the magnitude of the shipped volumes

Source: Sistema de Informações de Fretes, SIFRECA, ESALQ/USP (University of São Paulo, Brazil)

**Revised figure

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Related Websites

Agricultural Container Indicators	http://www.ams.usda.gov/tmd2/agci/
Ocean Rate Bulletin	http://www.ams.usda.gov/tmd/Ocean/index.asp